

HOUSE BILL 3268  
By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Title 8,  
Chapter 35, relative to forfeiture of state retirement  
benefits.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-35-124, is amended by deleting  
subsection (e) and by substituting instead the following:

(e)

(1) Notwithstanding any provision of law to the contrary, and for the  
purposes of this section only, an employee or elected or appointed official of the  
state or any political subdivision thereof terminates that person's express or  
implied contract for retirement benefits and renews that contract each time that  
person is elected, appointed, promoted, or otherwise changes a job  
classification. Such termination or renewal shall be deemed a consent by that  
person to a change in the person's contract for retirement benefits to include the  
forfeiture requirements of this section. If a person is not required to forfeit that  
person's retirement benefits pursuant to this section, then this subdivision shall  
not be construed to prevent that person from being credited with accumulated  
service credit that reflects the total time that person served pursuant to all  
express or implied contracts for retirement benefits.

(2) Subdivision (e)(1) shall apply to employees or elected or appointed  
officials of the state or any political subdivision thereof who hold such positions  
on the effective date of this subsection only upon the re-election, re-appointment,  
promotion or change in job classification of such person. Until that time,

subdivision (a)(1) shall apply to such persons only if they became members of public pension plans after July 1, 1982, and subdivision (a)(2) shall apply to such persons only if they became members of public pension plans on or after May 31, 1993.

SECTION 2. If the provisions of this act are declared to be invalid by a court of competent jurisdiction and such determination has become final, then the former provisions of 8-35-124, as such section existed immediately prior to the effective date of this act, shall be revived and be in full force and effect as if such provisions had remained in full force and effect at all times.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.